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# Selected Speeches and News Releases

September 15 - September 22, 1988

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# News Releases

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## USDA ANNOUNCES PREVAILING WORLD MARKET PRICE FOR UPLAND COTTON

WASHINGTON, Sept. 15—Acting Under Secretary of Agriculture Richard W. Goldberg today announced the prevailing world market price, adjusted to U.S. quality and location (adjusted world price), for Strict Low Middling (SLM) 1-1/16 inch (micronaire 3.5-4.9) upland cotton (base quality) and the coarse count adjustment in effect from 12:01 a.m. Friday, Sept. 16, through 12:00 midnight Thursday, Sept. 22.

Since the AWP is less than the 1987-crop and 1988-crop base quality loan rates of 52.25 and 51.80 cents per pound, respectively, the loan repayment rate for 1987-crop and 1988-crop upland cotton during this period is equal to the AWP adjusted for the specific quality and location.

Since the AWP is less than the 1986-crop base quality loan repayment rate of 44 cents per pound, first handler certificates will be issued to eligible first handlers with respect to 1986-crop upland cotton pledged as loan collateral that is redeemed with cash during this period.

The first handler payment rate will equal the difference between the loan repayment rate (80 percent of the 1986-crop loan rate for the specific quality and location) and the AWP (adjusted to the specific quality and location and, if applicable, the coarse count adjustment) in effect during this period. Payment will be made in the form of a commodity certificate that may be exchanged for upland cotton or extra long staple cotton.

Because the loan repayment rate for 1988-crop upland cotton in effect during this period is less than the established loan rate, loan deficiency payments will be paid to eligible producers who agree to forgo loan eligibility on their 1988-crop upland cotton. The payment rate for cotton sold during this period will equal the difference between the loan rate and the loan repayment rate.

The AWP will continue to be used to determine the value of upland cotton that is obtained in exchange for commodity certificates.

Based on data for the week ending Sept. 15, the AWP for upland cotton and the coarse count adjustment are determined as follows:



Adjusted World Price	
Northern Europe Price .....	57.54
Adjustments:	
Average U.S. spot market location .....	11.51
SLM 1-1/16 inch cotton .....	2.00
Average U.S. location .....	.42
Sum of Adjustments .....	<u>-13.93</u>
ADJUSTED WORLD PRICE .....	43.61 cents/lb.
Coarse Count Adjustment	
Northern Europe Price .....	57.54
Northern Europe Coarse Count Price .....	<u>-52.32</u>
	5.22
Adjustment to SLM 1-inch cotton .....	<u>-4.15</u>
	-1.07
COARSE COUNT ADJUSTMENT .....	0 cents/lb.

The next AWP and coarse count adjustment announcement will be made Sept. 22.

Charles Cunningham (202) 447-7954

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## USDA TO REPORT PERCENTAGE OF SHRIVELED AND WRINKLED SOYBEANS

WASHINGTON, Sept. 16—The U.S. Department of Agriculture today announced that it will report, upon request, the percentage of shriveled and wrinkled soybeans in shipments officially inspected by USDA’s Federal Grain Inspection Service.

FGIS Administrator W. Kirk Miller said that drought has caused seedcoats to shrivel and wrinkle in some soybeans, resulting in atypical size and appearance. The shriveled and wrinkled condition makes it difficult to remove the soybean seedcoats during processing, which reduces the efficiency of oil extraction and protein meal processing. Since soybeans are produced almost exclusively for their oil and protein content, the wrinkled and shriveled beans could result in processing difficulties for both the domestic and international soybean markets.

On Sept. 13, FGIS held a meeting in Washington, D.C., with other government officials and representatives of the soybean industry to discuss the extent of the problem and whether FGIS action was necessary. Based on that meeting and subsequent information, FGIS decided that, upon request, it will report on official inspection certificates the percentage of shriveled and wrinkled beans in inspected shipments.

“This service will provide the marketplace the information to identify soybean quality and to segregate soybeans, as deemed necessary to meet user needs,” said Miller.

The action will become effective Friday, Sept. 16, upon publication in the Federal Register.

For more information contact Lewis Lebakken Jr., Resources Management Division, FGIS, U.S. Department of Agriculture, Room 0628-S, Washington, D.C. 20250; telephone (202) 475-3428.

Allen Atwood (202) 475-3367

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## **USDA PROPOSES REVISED GRADE STANDARDS FOR FLUE-CURED TOBACCO**

WASHINGTON, Sept. 16—The U.S. Department of Agriculture is proposing minor revisions that would clarify definitions and applications of the terms “injury” and “waste” used in standards for seven grades of low-quality, or “nondescript,” flue-cured tobacco.

J. Patrick Boyle, administrator of USDA’s Agricultural Marketing Service, said that the proposed changes would narrow the terms to specific percentages, thus aiding those grading this kind of flue-cured tobacco. Currently, the terms can be used loosely, resulting in the chance of inconsistent grading.

“The changes would provide a more accurate picture of tobacco arriving at the marketplace,” Boyle said.

The proposals result from AMS’s continuing review of the technical soundness of its tobacco grading standards.

Notice of the proposed changes is in today’s Federal Register. Comments and exceptions, which must be received by Oct. 17, should be sent to the Director, Tobacco Division, AMS, USDA, Rm. 502 Annex Building, P.O. Box 96456, Washington, D.C. 20090-6456.

Clarence Steinberg (202) 447-6179

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3.4 MILLION ACRES BID DURING THE SEVENTH CRP SIGNUP

WASHINGTON, Sept. 16—The U.S. Department of Agriculture’s Commodity Credit Corporation has received bids to place 3,434,646 acres in the Conservation Reserve Program (CRP) during the seventh signup period, which ran from July 18 through Aug. 31, Milton Hertz, executive vice president of the CCC, announced today.

Hertz said that acceptance of these bids will be announced around Dec. 15.

“New CRP contracts may not be entered into which provide for an annual rental rate in excess of the prevailing local rental rate for comparable land,” he said. “Making this determination on each bid will require extra time.”

On cropland placed in the CRP, a vegetative cover, which can include trees, must be established for a minimum of 10 years.

Producers offered to plant trees on 227,930 acres of cropland in the seventh CRP signup. The program goal is to have, to the extent practicable, 12.5 percent of the total CRP acreage for each of the 1986 through 1990 crop years planted to trees.

In addition to annual rental payments, CRP participants also receive up to 50 percent of the cost of establishing the vegetative cover.

Hertz said he was encouraged with the continued strong interest in the CRP, particularly in light of 1988 drought conditions.

The following table shows acres bid, tree acres bid and number of bids, by state.

	ACRES BID	TREE ACRES BID	NUMBER OF BIDS
ALABAMA	43,793	23,536	1,045
ALASKA	327	0	3
ARIZONA	254	0	3
ARKANSAS	28,798	16,710	389
CALIFORNIA	15,795	0	56
COLORADO	77,883	0	307
CONNECTICUT	10	10	1
DELAWARE	312	5	3
FLORIDA	18,207	17,430	296
GEORGIA	86,389	78,918	1,728
HAWAII	0	0	0
IDAHO	55,645	31	318



ILLINOIS	105,592	2,151	2,256
INDIANA	68,821	1,114	1,599
IOWA	214,749	422	3,640
KANSAS	187,387	107	2,487
KENTUCKY	29,390	11	513
LOUISIANA	11,110	5,141	177
MAINE	5,182	422	162
MARYLAND	3,492	116	120
MASSACHUSETTS	10	0	1
MICHIGAN	37,993	1,480	886
MINNESOTA	196,011	2,939	2,633
MISSISSIPPI	51,825	33,121	881
MISSOURI	105,514	464	1,642
MONTANA	338,534	11	948
NEBRASKA	123,149	255	1,305
NEVADA	1,029	0	3
NEW HAMPSHIRE	0	0	0
NEW JERSEY	76	0	4
NEW MEXICO	9,226	0	40
NEW YORK	8,146	357	237
NORTH CAROLINA	13,478	8,238	762
NORTH DAKOTA	571,423	317	3,209
OHIO	43,682	1,392	879
OKLAHOMA	81,841	95	750
OREGON	17,151	56	114
PENNSYLVANIA	17,442	232	405
PUERTO RICO	209	0	2
RHODE ISLAND	0	0	0
SOUTH CAROLINA	26,576	21,406	694
SOUTH DAKOTA	332,356	177	1,703
TENNESSEE	33,892	1,031	975
TEXAS	340,149	1,649	1,891
UTAH	9,022	0	64
VERMONT	26	0	2
VIRGINIA	12,168	3,198	464
WASHINGTON	33,528	225	242
WEST VIRGINIA	57	7	6
WISCONSIN	68,031	5,156	1,799
WYOMING	8,966	0	43
TOTAL	3,434,646	227,930	37,687

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## **USDA EXTENDS COMMENT PERIOD FOR RETAIL STORE INSPECTION EXEMPTION**

WASHINGTON, Sept. 19—The U.S. Department of Agriculture is extending through Nov. 18 the deadline for public comments on federal meat and poultry regulations that exempt retail stores from inspection.

“We have received requests to extend the comment period on our previous announcement,” said Marvin A. Norcross, acting administrator of USDA’s Food Safety and Inspection Service. “Since we are seeking substantive comments that will assist in a review of our policy, we are honoring those requests and have extended the comment period for an additional 60 days.”

The initial notice announcing that the agency was reviewing its policy was published in the July 21 Federal Register. Notice of this extension is in the Sept. 19 Federal Register.

Comments should be received on or before Nov. 18 and sent to to: Policy Office, Attn: Linda Carey, FSIS Hearing Clerk, Room 3171 South, FSIS, U.S. Department of Agriculture, Washington, D.C. 20250.

Richard Bryant (202) 447-9113

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## **USDA OFFICIAL LAUDS DOT EXEMPTION OF FARMERS FROM COMMERCIAL DRIVERS LICENSE**

WASHINGTON, Sept. 20—Assistant Secretary of Agriculture Kenneth A. Gilles today applauded the action of the U.S. Department of Transportation to allow states to exempt drivers of farm vehicles from certain testing and licensing requirements of the Commercial Motor Vehicle Safety Act of 1986.

Gilles said the action of DOT’s Federal Highway Administration recognizes that drivers of farm vehicles are not commercial drivers. “Compared to non-farm drivers, they drive shorter distances, fewer total miles and have an insignificant involvement in fatal accidents,” he said.

“We are pleased that the DOT action addresses the fact that the minimal risk presented by farm drivers does not justify the burden that would have been imposed on them or on enforcement officials if all the provisions of the Act had been put into effect,” Gilles said. The U.S. Department of Agriculture’s Office of Transportation, along with a

number of farm groups and organizations, had filed requests with DOT for a waiver for drivers of farm vehicles.

The 1986 safety law requires that the driver of a commercial vehicle with a gross weight over 26,000 pounds (1) have a single driver's license with a single driving record, (2) be tested for the type of vehicle driven, and (3) be required to notify his employer and home state of any traffic violations. Regulations to implement the law were issued by DOT on July 15. Although the testing and licensing requirements have been waived for drivers of farm vehicles, they are still subject to the other requirements of the law.

To determine the impact of requiring a commercial drivers license for farmers, USDA's Office of Transportation surveyed a representative sample of wheat, corn and cattle producers. These studies basically showed that farm trucks as a class tended to be driven significantly fewer miles than other trucks. Similarly, OT examination of accident data showed that an extremely small percentage of trucks involved in fatal accidents are farm trucks.

Larry Mark (202) 447-3977

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## **USDA ANNOUNCES PREVAILING WORLD MARKET RICE PRICES**

WASHINGTON, Sept. 20—Acting Under Secretary of Agriculture Richard W. Goldberg today announced the prevailing world market prices of milled rice, loan rate basis, as follows:

- long grain whole kernels, 10.30 cents per pound;
- medium grain whole kernels, 9.43 cents per pound;
- short grain whole kernels, 9.34 cents per pound;
- broken kernels, 5.15 cents per pound.

Minimum loan repayment rates for 1987-crop loans are the higher of the world price or 50 percent of the loan rate. For 1988-crop rice, the minimum repayment rates are the higher of the world price or 60 percent of the loan rate.

Based upon these prevailing world market prices for milled rice, rough rice world prices are estimated to be:

- long grain, \$6.19 per hundredweight;
- medium grain, \$5.87 per hundredweight;



—short grain, \$5.69 per hundredweight.

The prices announced are effective today at 3:00 P.M. EDT. The next scheduled price announcement will be made Sept. 27, 1988 at 3:00 P.M. EDT, although prices may be announced sooner if warranted.

Gene Rosera (202) 447-5954

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## **BRUCE N. AMES TO PRESENT USDA'S STERLING HENDRICKS LECTURE**

WASHINGTON, Sept. 21—A study comparing human cancer risks posed by various natural and synthetic chemicals will be presented by Bruce N. Ames, a noted University of California biochemist, on September 27 in Los Angeles, said R. D. Plowman, administrator of the U.S. Department of Agriculture's Research Service.

Sponsored by ARS, the Ames' lecture, will be given at the national meeting of the American Chemical Society in Los Angeles, as part of the 1988 Sterling B. Hendricks Memorial Lecture.

Ames' lecture, "Ranking Possible Carcinogenic Hazards," will conclude a day-and-a-half symposium that addresses possible links between pesticide use and cancer in human beings.

The lecture is the eighth in a yearly series commemorating ARS scientist Sterling B. Hendricks (1902-81). Hendricks made contributions to many diverse areas of science but is best known for the discovery and isolation of phytochrome, a protein molecule that regulates many plant processes.

Ames is chairman of the department of biochemistry at the University of California at Berkeley. His pioneering studies on gene function regulation in *Salmonella* established him as a leader in microbial genetics. He is internationally known for developing the "Ames test," a simple, inexpensive method of detecting mutagens and potential carcinogens.

Most recently, Ames has been interested in the role of diet and cancer, natural carcinogens, the aging process and oxidative DNA damage and defenses against oxidation as they are related to the causes of cancer and aging.

Ames was a biochemist at the National Institutes of Health from 1953 to 1967, and was formerly on the National Cancer Advisory Board of the National Cancer Institute. He has been elected to the National Academy



of Sciences and the American Academy of Arts and Sciences.

He has received the most prestigious award for cancer research, the General Motors Cancer Research Foundation Prize (1983), and the highest award in environmental achievement, the Tyler Prize (1985). He does no consulting for the chemical, drug or food industry, or for law firms.

Jim Benson (301) 344-4504

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